

State of Alaska FY2005 Governor's Operating Budget

Department of Health and Social Services Permanent Fund Dividend Hold Harmless Component Budget Summary

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Component: Permanent Fund Dividend Hold Harmless

Contribution to Department's Mission

The Permanent Fund Dividend Hold Harmless component was established in law in 1982 to protect needy elderly, disabled and low-income Alaskan families from losing public assistance and medical benefits due to receipt of a permanent fund dividend.

Core Services

PFD Hold Harmless payments replace Adult Public Assistance, Supplemental Security Income, and Food Stamp benefits when receiving the Permanent Fund Dividend causes individuals to lose eligibility or to have benefits reduced.

FY2005 Resources Allocated to Achieve Results

FY2005 Component Budget: \$15,949,900	Personnel:	
	Full time	0
	Part time	0
	Total	0

Key Component Challenges

There has been a steady growth in Food Stamp and Adult Public Assistance caseloads, resulting in an increased need for funding.

Significant Changes in Results to be Delivered in FY2005

- An FY2005 increment adjusts PFD Hold Harmless funding to projected formula need.
- Improved administrative efficiencies through further systems automation of the hold harmless process

Major Component Accomplishments in 2003

The process used to provide hold harmless benefits to food stamp households was automated to minimize administrative costs. The process included a computer match with the Department of Revenue to identify households that are eligible for permanent fund dividend hold harmless benefits.

Statutory and Regulatory Authority

AS 43.23.075 and AS 43.23.085
7 AAC 38

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Permanent Fund Dividend Hold Harmless Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	450.0	455.0	455.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	11,913.1	14,950.5	15,494.9
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	12,363.1	15,405.5	15,949.9
Funding Sources:			
1050 Permanent Fund Dividend Fund	12,363.1	15,405.5	15,949.9
Funding Totals	12,363.1	15,405.5	15,949.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Permanent Fund Dividend Fund	51160	12,363.1	15,405.5	15,949.9
Restricted Total		12,363.1	15,405.5	15,949.9
Total Estimated Revenues		12,363.1	15,405.5	15,949.9

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	0.0	0.0	15,405.5	15,405.5
Proposed budget increases:				
-Formula Caseload Increase	0.0	0.0	544.4	544.4
FY2005 Governor	0.0	0.0	15,949.9	15,949.9